

ITEL

March 13, 1992

2-076A011

Ite Rail Corporation

550 California Street
San Francisco, CA 94104
(415) 984-4200

Hon. Sidney L. Strickland, Jr., Esq.
Secretary
Interstate Commerce Commission
Washington, DC 20423

16460-E
MAR 16 1992 10:25 AM
INTERSTATE COMMERCE COMMISSION

Re: Schedule No. 4

Dear Mr. Strickland:

On behalf of Ite Rail Corporation, the above instrument, in three (3) counterparts, is hereby submitted for filing and recording pursuant to 49 U.S.C. Section 11303(a), along with the \$16 recordation fee.

Please record this Schedule under the Master Lease dated July 14, 1989, between Ite Rail Corporation and MidSouth Rail Corporation, which was filed with the ICC on August 2, 1989, under recordation number 16460.

The parties to the aforementioned instrument are listed below:

Ite Rail Corporation (Lessor)
550 California Street
San Francisco, California 94104

MidSouth Rail Corporation (Lessee)
111 E. Capitol Street
Jackson, Mississippi 39201

This Schedule adds to the Master Lease one hundred (100) 5100 cubic foot refrigerated boxcars bearing reporting marks MSRC 10233-18048 (n.s.).

Please return to the undersigned the stamped counterparts not required for filing purposes, together with the ICC fee receipt and acknowledgment letter.

Very truly yours,

Patricia Schumacker

Patricia Schumacker
Legal Assistant

MAR 16 1992 - 10 25 AM

SCHEDULE NO. 4 INTERSTATE COMMERCE COMMISSION

THIS SCHEDULE NO. 4 ("Schedule") to that certain Lease Agreement made as of July 14, 1989 (the "Agreement") between ITEL RAIL CORPORATION, as lessor ("Lessor"), and MIDSOUTH RAIL CORPORATION, as lessee ("Lessee"), is made this 4th day of February, 1992 between Lessor and Lessee.

R E C I T A L S :

- A. Lessor, as assignee of Evans Railcar Leasing Company, and Lessee are parties to the agreement dated March 16, 1987 (the "1987 Agreement") whereby Lessor leased to Lessee the "Cars" defined herein.
- B. The 1987 Agreement shall expire February 26, 1992 at which time the parties desire to have the "Cars", as defined herein, placed under the terms of the Agreement dated July 14, 1989.

NOW, THEREFORE, Lessor and Lessee agree as follows:

- 1. All capitalized terms defined in the Agreement shall have the meanings defined therein when used in this Schedule, except that the term "Cars" as used herein shall only refer to the equipment described in this Schedule unless otherwise indicated.
- 2. Lessor hereby leases the following Cars to Lessee subject to the terms and conditions of the Agreement and this Schedule:

AAR Mech	Description	Numbers	Length	Dimensions		Door Width	No. of Cars
				Inside Width	Height		
RB	5100 c.f.	MSRC 10233,	52'5"	9'4"	11'0"	16'	100
R400	refrigerated boxcars	11800,11802,11804,11806, 11809,11811-11813,11818,11821, 11824,11825,11827,11829,11831, 11833,11835,11836,11840,11842, 11844,11847,11851-11853,11855- 11859,11861,11862,11865,11866, 11869,11873,11875,11877,11880- 11882,11887,11888,11893,11894, 11896-11898,11900-11902,11907, 11910,11912,11914,11920,11925, 11926,11940,11944,11945,11953, 11960,11963,11965,11966,11970, 11972,11973,11975,11979,11980, 11982,11986,11989,11990,11992, 11993,11995,18000,18008,18013, 18016,18018,18022,18023,18029, 18032-18036,18038,18041-18043, 18045,18046,18048.					

- 3. Upon the full execution of this Schedule by both parties ("Execution"), the term of the Agreement with respect to the Cars described in this Schedule shall be deemed to commence as of February 27, 1992 and shall

continue through and including February 26, 1997 (the "Term"). Upon Execution this Agreement shall supersede and replace the 1987 Agreement. During the Term, with respect to the Cars described in this Schedule, Lessor may remove any Car(s) from the Agreement upon not less than 10 days prior written notice to Lessee.

4.
 - A. Lessor shall perform the registration and Lessee shall perform record keeping required for the Cars described in this Schedule, as described in Section 4 of the Agreement. Lessee shall, within ten (10) days after the close of each calendar month, supply Lessor with copies of Lessee's Train 62, 65, 67, 71, 80 Advices with respect to the Cars interchanged to and from Lessee's railroad line.
 - B. If Lessee's reporting marks are on any Cars, then Lessee shall provide Lessor with the UMLER passkey necessary for registering such Cars and shall authorize Lessor to receive the UMLER Fleet Tape. Lessee shall, within 30 days of notification that Lessor has paid a car repair bill for equipment bearing reporting marks not leased to Lessee by Lessor or for which Lessee is responsible for the cost of maintenance as set forth in the Agreement (or any other agreement between Lessor and Lessee), Lessee shall reimburse Lessor for any amount paid.
5. Lessor shall perform or cause to be performed and shall pay all costs and expenses associated with the maintenance of the Cars described in this Schedule, except as set forth in Section 5 of the Agreement. With respect to the Cars listed in this Schedule, Exhibit A attached hereto is hereby added to the Agreement. Subsection 5.A. of the Agreement shall not apply with respect to such Cars.
6. Lessor agrees to reimburse Lessee, within 30 days of Lessor's receipt of the receipted copy of the paid tax bill, for all taxes actually paid in cash by Lessee resulting from: 1) ad valorem tax assessments on the Cars; and 2) any assessment, levy or impost relating to any Car, the Agreement, or the delivery of the Cars, which remained unpaid as of the date of the delivery of the Cars to Lessee or which is assessed, levied or imposed during the term of the Agreement, except taxes on income or gross receipts imposed on Lessee or sales or use tax imposed on mileage charges, car hire revenue, or the proceeds of the sale or lease of the Cars. Lessor and Lessee shall comply with all state and local laws requiring filing of ad valorem returns associated with the Cars. Notwithstanding any portion of this Section, Lessor shall not be responsible for penalty or interest assessments resulting from Lessee's failure to comply with any regulation or statute of any taxing or assessing authority. Lessee shall forward to Lessor upon receipt all correspondence, notifications of proposed tax assessments and tax bills associated with any tax reimbursable by Lessor. Lessor may, in good faith and by appropriate proceedings, contest any assessment, notification of assessment or tax bill. Lessor shall assume full responsibility for all expenses, including legal fees, resulting from such contest.

7. Rent

A. Definitions

- (i) "Eligible Lines" is defined as the railroad lines owned and operated by Lessee, MidLouisiana Rail Corporation, SouthRail Corporation and TennRail Corporation ("MidSouth Corporation") as of the date this Schedule is executed by the parties. Any lines purchased by MidSouth Corporation or added to the Eligible Lines or any Eligible Lines sold by MidSouth Corporation to another party during the Term, effective on the date of such sale, are deemed to be the lines of another railroad company (a foreign road).
 - (ii) "Revenue Rates" is defined as the
prescribed by the ICC in any applicable time period for each Car.
 - (iii) "Per Diem Revenues" is defined as the revenues, calculated at the Revenue Rates, that are earned or due for the use and handling of the Cars on all railroad lines other than including, but not limited to, whether or not collected and received by Lessor, and undiminished by any claimed abatement, reduction or offset caused by any action or failure of Lessee.
 - (iv) "Mileage Revenues" is defined as the revenues, calculated at the Revenue Rates, that are earned or due for the use and handling of the Cars on all railroad lines other than including, but not limited to, whether or not collected and received by Lessor, and undiminished by any claimed abatement, reduction or offset caused by any action or failure of Lessee.
 - (v) "Revenues" is defined as the sum of Per Diem Revenues and Mileage Revenues.
 - (vi) "Base Rent" is defined as the dollar amount for any calendar year (or applicable portion thereof) which equals the Revenues the Cars on this Schedule would have earned in the aggregate during such calendar year (or applicable portion thereof) if such Cars had been on railroad lines other than for during such calendar year and with each Car earning Revenues at the Revenue Rates and with each Cars traveling per day.
- B. Lessee shall pay as rent to Lessor of the Revenues earned by the Cars.
- C. (i) In the event that as a result of any action or inaction by Lessee, Lessor shall receive or earn for the use of any Cars, Revenues calculated at car hire rates that are lower in amount than those specified in Subsection 7.A.(ii), Lessee shall pay to Lessor, within 10 days of Lessor's request, an amount equal to the difference between the Revenues such Cars would have earned at the Revenue Rates and the amount of revenues actually received or earned for such Cars.

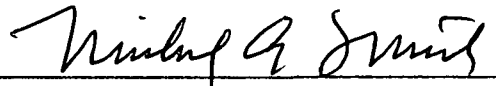
- (ii) Should any abatement, reduction or offset occur as a result of any action or inaction of Lessee, Lessee shall, within 10 days of Lessor's request, reimburse Lessor the amount of such abatement, reduction or offset.
 - (iii) If, at any time during the Agreement, Lessee operates lines other than the Eligible Lines, Lessee shall supply Lessor with records which distinguish the movement of each Car on the Eligible Lines from the movement of such Car on any other lines operated by Lessee.
- D. Any agreement between Lessee and any other party with respect to the Cars ("Third Party Agreement(s)") shall be null and void without Lessor's prior written approval if such Third Party Agreement affects the revenues earned by the Cars.
- E. Lessor shall at its sole option place any Car(s) in any bilateral agreement that it deems necessary to increase utilization for such Car(s).
- F. Lessee shall pay to Lessor by the 60th day after the end of each Service Month (as hereinafter defined), 80% of the total Revenues for that Service Month. For the purposes hereof, "Service Month" shall be defined as the calendar month in which Revenues were actually earned. At the time payment of 80% of the total Revenues is made to Lessor, Lessee shall report to Lessor for the same month the hours earned, miles traveled and dollar figure for 100% of the Revenues. 10% of the Revenues shall be remitted to Lessor within 90 days after the end of each Service Month and the remaining 10% of the total Revenues shall be remitted to Lessor within 120 days after the end of each Service Month.
8. If, with respect to the Cars on this Schedule during any calendar quarter, Revenues received by Lessor for such Cars are less than the Base Rent for such Cars, then Lessor may so notify Lessee. Within 10 days of such notice, Lessee shall either:
- A. Notify Lessor of intent to pay Lessor the shortfall between the Base Rent and the Revenues received by Lessor for such Cars in such calendar quarter and agree to pay the shortfall, if any, between the Base Rent and the Revenues received by Lessor for such Cars in each subsequent calendar quarter for the duration of the Term. Lessee shall pay Lessor such shortfall not later than 60 days after receiving an invoice.
 - B. Elect in writing not to pay Lessor such shortfall for such quarter. In such event, Lessor may terminate the lease with respect to all or any of the Cars on this Schedule upon not less than 30 days written notice to Lessee at any time during the Agreement.
9. A. Lessee agrees to defend, indemnify and hold Lessor harmless from any and all claims, losses, damages, liabilities, costs, and expenses (including attorney's fees) with respect to, caused by, or arising out of the Cars which are occasioned by the fault of Lessee, occur while the Cars are in Lessee's possession or control, or would be

the "handling carrier's" responsibility under the Interchange Rules, as if the Cars were not bearing Lessee's reporting marks.

- B. Except as provided in Subsection 9.A. above, and except for those claims, losses, damages, liabilities and expenses for which Lessee shall be responsible as set forth in this Agreement, Lessor shall indemnify and hold Lessee harmless from any and all loss, damage or destruction of or to the Cars, ordinary wear and tear excepted.
- C. The indemnities and assumptions of liability contained in this Agreement shall survive the expiration or termination of the Agreement.
10. Upon the expiration or termination of the Agreement with respect to the Car(s) described in this Schedule, if some or all of the Cars are to be delivered to Lessor at Lessee's railroad tracks, Lessee shall be responsible for any transportation costs incurred in moving such Cars to said tracks subsequent to the time of expiration of this Agreement as to the Cars. Lessee shall, at Lessor's option, provide up to storage on its railroad tracks for any Car which is either on Lessee's railroad tracks at expiration or is subsequently returned to Lessee's railroad tracks. Said shall run either from expiration or from the date such Car is returned to Lessee's railroad line subsequent to expiration, whichever date is later. If requested to do so by Lessor, Lessee shall, at Lessor's option, either move a remarked Car to an interchange point on Lessee's lines selected by Lessor or use its best efforts to load the remarked Car with freight and deliver it to a connecting carrier for shipment.
11. Except as expressly modified by this or any other Schedule, all terms and provisions of the Agreement shall remain in full force and effect with respect to all Cars subject to the Agreement.
12. This Schedule may be executed by the parties hereto in any number of counterparts, and all counterparts taken together shall be deemed to constitute one instrument.

Each party, pursuant to due corporate authority, has caused this Schedule to be executed by its authorized officer or other employee, and each of the undersigned declares under penalty of perjury that he or she holds the title indicated below, that the execution of this Schedule was the free act and deed of the corporation, the foregoing is true and correct and this Schedule was executed on the date indicated below.

ITEL RAIL CORPORATION

By: 
Title: V.P. SALES
Date: 2/4/92

MIDSOUTH RAIL CORPORATION

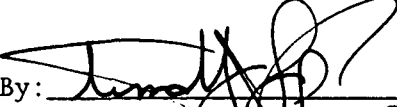
By: 
Title: VP-Chief Marketing Officer
Date: 1/27/92

EXHIBIT A

Running Repairs: Boxcars

Angle Cocks	Wheel Assemblies
Air Hose	Yokes
Train Line	Knuckles/Pins
Operating Levers and Brackets	Slack Adjuster
Sill Steps	Couplers
Grab Irons	Draft Gears
Brake Shoes	Coupler Carriers
Brake Shoe Keys	Center Plate Repair (Not Replacement of Center Plate)
Brake Connecting Pin	Cotter Keys
Brake Head Wear Plates	Roller Bearing Adapters
Air Brakes	Air Hose Supports
Hand Brakes	
Brake Beams and Levers	
Truck Springs	
Door Hardware (Not Replacement of Door)	